VZCZCXRO6964 OO RUEHCI DE RUEHKA #0472/01 1151318 ZNY CCCCC ZZH O 241318Z APR 08 FM AMEMBASSY DHAKA TO RUEHC/SECSTATE WASHDC IMMEDIATE 6666 INFO RUEHLM/AMEMBASSY COLOMBO 8409 RUEHIL/AMEMBASSY ISLAMABAD 2137 RUEHKT/AMEMBASSY KATHMANDU 9645 RUEHNE/AMEMBASSY NEW DELHI 0610 RUEHCI/AMCONSUL KOLKATA 1259 RHHMUNA/USCINCPAC HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 DHAKA 000472

SIPDIS

SIPDIS

DEPT FOR SCA/PB AND SCA/FO

E.O. 12958: DECL: 04/21/2018

TAGS: <u>PGOV PINS PINR KDEM PHUM BG</u>
SUBJECT: DIALOGUE WITH POLITICAL PARTIES BEGINS, BUT DOUBTS

REMAIN ABOUT GOVERNMENT'S INTENTIONS

REF: DHAKA 345

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b) and (d)

SUMMARY ========

11. (C) With just eight months remaining before the expiration of the Caretaker Government's (CTG) self-imposed deadline of holding parliamentary elections before the end of 2008, the government's long-awaited dialogue with the political parties has finally begun. Beginning with the Awami League, a group of five CTG Advisers has held "informal" discussions with the major parties. The Advisers also met with the reformist faction of the Bangladesh Nationalist Party (BNP), which remains divided. The CTG and its military backers are seeking the political parties' agreement that they will ratify the CTG's actions, including certain institutional reforms that are still in the works. For their part, the parties are wary of the CTG,s intentions and attempts to subvert the political process, but are eager to get back into the game. The CTG appears open to discussing the future of the two imprisoned former Prime Ministers, but not until after there has been an agreement with the parties on the basic framework for elections and transfer of power.

POLITICAL DIALOGUE KICKS OFF ______

- 12. (C) The political process has kicked into high gear in recent weeks, with the start of the long awaited political dialogue. The Awami League, which has been able to keep its party structures intact despite the imprisonment of former Prime Minister and party President Sheikh Hasina, has been first off the mark holding high profile meetings with government representatives in recent weeks. First, a delegation of nine Awami League leaders met with the Director General of Forces Intelligence and two of his principal deputies in a very public "secret" meeting. Within days, a group of four Awami League leaders met with five Advisers from the CTG. After some in the party complained of being excluded from these talks, a second "informal" meeting was held with the same Advisers. These public meetings come after a regular series of meetings between an Awami League working group and government representatives to hash out positions in advance of the formal dialogue.
- 13. (C) The CTG's team has been led by Commerce Adviser Hossain Zillur Rahman, and has included Foreign Adviser Iftekhar Ahmed Chowdhury, Law Adviser Hassan Ariff,

Communications Adviser Major General (ret,d) Ghulam Quader, and Labor Adviser Anwarul Iqbal. Iftekhar, who is also Chief Adviser Fakhruddin Ahmed's closest confidante in the Council of Advisers, told the DCM that he had belatedly been added to the CTG's negotiating team. While these meetings have received a great deal of attention, there is still much speculation that the Bangladesh Army, in particular senior officers in the Directorate General of Forces Intelligence (DGFI) is really calling the shots.

- 14. (C) Following their meeting with the Awami League, the CTG Advisers subsequently held similar "informal" sessions with the Jamaat Islami and the Jatiya Party. Interestingly, the Jamaat used its meeting to demand that imprisoned former Prime Ministers Sheikh Hasina and Begum Khaleda Zia be released from prison. Of the major parties, the Jatiya Party was the only one to ask that local elections be held in advance of national parliamentary polls. In its discussions with the CTG Advisers, the Awami League presented a five-point demand: release of Sheikh Hasina and permission for her to travel abroad for medical treatment; a specific date for parliamentary elections by the end of 2008; immediate curbing of price increases for essential commodities; lifting of the State of Emergency; and trials for war criminals. The AL has demanded that the CTG hold separate discussions with each of the parties (rather than a broader plenary session as had been discussed) and that the Chief Adviser himself should participate.
- 15. (C) The BNP has been slower off the mark, in part due to its continued divisions and the temporary absence of its Secretary General, who was outside Bangladesh for a month

SIPDIS seeking medical treatment. In recent months, there have been DHAKA 00000472 002 OF 003

a number of initiatives to reunite the party, but all have faltered based on personality clashes between some of the senior leadership and amid continuing evidence that the DGFI is trying to keep the party divided. Unlike the Awami League, which has been able to keep open discrete channels to its imprisoned leader, the BNP appears hamstrung by a lack of communication with former Prime Minister Begum Zia. Zia-appointed Secretary General Khondker Delwar Hossain has said that his faction of the party will not participate in a dialogue with the government unless they are recognized as the legitimate standard bearers. For its part, the BNP-dissident group has welcomed the dialogue offer and has had its standing buoyed by a court ruling that accepts the Election Commission's decision to hold talks with this group, effectively recognizing their hold over the party. A delegation from the reformist faction of the BNP met with the Advisers April 15. A meeting of the loyalist group with the Advisers had been scheduled for April 23, but has been postponed. We were told that this faction's demands will be: Release of Khaleda Zia, her sons and all political prisoners; lifting of the state of emergency: parliamentary elections to precede local elections; no influence from any quarters (read especially DGFI) on the elections; and the independence of the Electoral Commission and other constitutional bodies.

SUSPICION OF GOVERNMENT, S MOTIVES

16. (C) Even as they begin discussions with the Advisers, the parties remain suspicious of the CTG and military's intentions. Representatives of all of the parties have told us that DGFI officials are actively trying to recruit individuals at the local level to stand as candidates for local and national elections. While the parties have accepted that the Election Commission's reformed political parties law will likely result in the disqualification of some candidates, the parties are now worried that DGFI will attempt to present them with a hand picked "positive" list of who will be allowed to run for office. These concerns are

fueled by public utterances by Army Chief of Staff General Moeen Uddin Ahmed and others about the need for new leadership in the country. BNP supporters fear that the Army has come to an understanding with the Awami League and is preparing for that party to return to power.

INSTITUTIONAL REFORMS MOVE FORWARD

- 17. (C) At the same time, institutional reforms such as the proposed Truth and Accountability Commission and a National Security Council continue to move forward. Contacts tell us that the Council of Advisers is working on draft ordinances to create both of these bodies and make them operational in the coming months. It now appears that the Accountability Commission will come into being first, with details regarding the Security Council's composition still being worked out.
- 18. (C) Many observers believe that the Chief Adviser will announce plans to gradually relax the restrictions on political activity contained in the Emergency Power Rules. Still, the CTG appears reluctant to loosen things up too quickly, as witnessed by decisions to postpone elections by the Supreme Court Bar Association (SCBA) and Dhaka University Teachers Association (DUTA). Privately, Law Adviser Hassan Ariff, a former Attorney General and Human Rights Activist, recently told us that they think that the CTG is being too cautious and that they should allow the SCBA and DUTA elections to go ahead and immediately remove other restrictions on political activity. Upping the ante, most parties have publicly stated that they will not participate in elections held under a state of emergency.

ELECTION COMMISSION CONTINUES TO REGISTER VOTERS

19. (C) Meanwhile, the Election Commission's preparations to hold elections are continuing to move forward, with completion of the voters list still on track for the end of July. As of mid-April, the Commission has registered 75 percent of eligible voters. The Election Commission is also in discussions with donors about procuring transparent ballot boxes, but has said that this will not stand in the way of holding elections. Preparations are also being made to hold some local elections, beginning with municipal polls in May.

DHAKA 00000472 003 OF 003

PRESIDENT

110. (C) As expected, General Moeen has received a one-year extension as Army Chief, which means he will be in office until June 2009. This has dampened, but not eliminated, speculation that Moeen is seeking to become President. Other names for a consensus candidate for President continue to circulate, including Nobel Laureate Mohammad Yunus, who made a brief attempt in early 2007 to assume a political role. In the dialogues with the parties, and in private with us, Foreign Adviser Chowdhury has floated the idea of a direct election of the President in advance of parliamentary elections. There has also been some discussion of a referendum preceding the parliamentary polls, which would be intended to endorse the CTG's reforms and validate its actions since January 2007.

COMMENT

======

111. (C) The CTG appears to have begun its dialogue with the parties without a clear idea of where things are going. Still, the fact that the parties and the government are now talking is a positive development - and something that we have been pushing for some time. Our message continues to be that free, fair, and credible elections must take place by the end of 2008. For this to happen, the political parties

must be allowed to play a role, but also need to be reminded of their responsibility to be part of the solution. Direct dialogue between the parties and government is necessary to build confidence in the process and create conditions for elections. At the same time, there is plenty of suspicion on both sides, and there will be a role for the international community to play to help build confidence. Meanwhile, there is increasing criticism being leveled at DGFI, which many perceive as an entity outside the control of the government or the Army and focused on protecting itself from retribution by engineering who will form the government that takes power in January 2009.

Moriarty